

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

JS6

CIVIL MINUTES - GENERAL

Case No. 5:23-cv-02391-RGK-MAR

Date January 5, 2024

Title *Miguel Cardenas, et al. v. Mercedes-Benz USA, LLC*

Present: The Honorable R. GARY KLAUSNER, UNITED STATES DISTRICT JUDGE

Joseph Remigio (not present)

Not Reported

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiff:

Attorneys Present for Defendant:

Not Present

Not Present

Proceedings: (IN CHAMBERS) Order Remanding Action to State Court

On October 20, 2023, Miguel Cardenas and Juan Estrada (“Plaintiffs”) filed a Complaint against Mercedes-Benz USA, LLC (“Defendant”) in Riverside County Superior Court alleging violations of the Song-Beverly Consumer Warranty Act (Cal. Civ. Code §§ 1790 *et seq.*). Defendant subsequently removed the action to this Court on the basis of diversity jurisdiction.

On December 1, 2023, the Court issued an Order to Show Cause as to why the jurisdictional requirements are or are not satisfied. On December 8, 2023, Defendant filed its response.

Having considered Defendant’s Response, the Court finds that Defendant has failed to meet its burden of showing that the minimum amount in controversy has been met. Plaintiffs seek damages or restitution for all money paid, incidental and consequential damages, civil penalties, and attorneys’ fees, among other remedies, under the Song-Beverly Act. According to Defendant, the value of the vehicle, estimated at \$51,005.47, combined with civil penalties and attorneys’ fees, puts the amount in controversy above \$75,000. The Court disagrees. While civil penalties and attorneys’ fees are available for willful violations of the Act, Defendant has not offered any evidence to support such an award and the Court declines to speculate as to what this award might be. Furthermore, because this case involves a leased vehicle, damages would be calculated based on the amount expended under the lease agreement—not the vehicle’s estimated value. Total payments under the lease amount to \$20,540.18. To arrive at actual damages, this amount must be reduced to account for use by Plaintiffs before the first repair of the vehicle. *Tokmakova v. Volkswagen Grp. of Am., Inc.*, 2012 WL 12952629, at *3 (C.D. Cal. Aug. 1, 2012). Therefore, Plaintiff’s damages are currently unspecified, but less than \$20,540.18.

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With \$20,540.18 as the starting point, and further amounts based on speculative assertions, the Court finds that Defendant has failed to establish by a preponderance of the evidence that the amount in controversy exceeds \$75,000.

Accordingly, the action is hereby remanded to state court for all further proceedings.

IT IS SO ORDERED.

cc: Riverside County Superior Court, CVRI2305642

Initials of Preparer

JRE/dc
